Setting up of farmers training centres

1660. SHRI DATTA MEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether some banks have established Farmers Welfare Trusts for setting up of Farmers Training Centres in States;

(b) if so, the details thereof, with particular reference to Maharashtra; and

(c) whether loans at reasonable rates are also proposed to be provided to farmers to save them from the clutches of money-lenders, who charge exorbitant rates of interest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Only Punjab National Bank has established PNB Farmers Welfare Trust. The Trust is running three Farmers Training Centres in the State of Haryana, Madhya Pradesh and Rajasthan. Few Banks have also set up Rural Development and Self Employment Training Institute (RUDSETI) for extending training particularly to rural youth including farmers/members of farmer's families.

(b) PNB proposes to set up one Farmers Training Centre in Sholapur District of Maharashtra. Further, Bank of Maharashtra and Bank of Baroda have set-up RUDSETI in Maharashtra called 'MSETI' and 'BOBSETI' respectively.

(c) Interest rates on loans given by the banks are deregulated. However, interest rate on loans by Commercial Banks upto Rs.2.00 lakhs should not exceed the Benchmark Prime Lending Rate (BPLR). Further, Indian Banks' Association has advised commercial banks to charge interest rate of not more than 9% p.a. on crop loans upto Rs. 50,000/-. Banks have been advised to provide loans to those farmers indebted to non-institutional sources. The scheme provides relief and seeks to remove the debt burden of identified farmers acutely distressed on account of debt from non-institutional sources (*e.g.* money lenders). Loans are to be provided to such farmers for redemption of loans obtained by them from non-institutional (money lenders) sources. Loans are to be provided by Banks for the above purpose at current rate of interest, as applicable to agricultural loans.